For the period beyond March, 2003 upto March, 2005, a specific action plan will be drawn at a later date keeping in view the actual voluntary retirements, natural and other separations, recruitment, hiving off of non-core, non-viable units etc.

Revival of Rashtriya Ispat Nigam Ltd.

127. SHRI GAYA SINGH:
SHRI N.R. DASARI:

Will the Minister of STEEL be pleased to state:

(a) whether the Chief Minister of Andhra Pradesh has been informed by government that the only option left for Rashtriya Ispat Nigam Ltd. was its sell off to the private sector;

(b) if so, the details thereof; and

(c) whether the Chief Minister had submitted some suggestions for the revival of the Plant keeping it in the public sector itself, if so, the details thereof and Government's reaction there of?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) No, Sir.

(b) Does not arise.

(c) In March, 99 the Chief Minister of Andhra Pradesh sought the following dispensations from the Government for RINL (VSP):

(i) Set-off the accumulated losses

(ii) Approval of capacity expansion

(iii) Provision of Govt. Guarantee for raising funds; and

(iv) Extension of Govt, guarantee for working capital loan.

A detailed proposal containing the above suggestions was under consideration of the Government at that time. However, after examination, it was not found viable. In the meantime, the Disinvestment Commission recommended writing off of the entire accumulated losses of the company as on 31.3.1999 alongwith disinvestment of not less than 51% of its remaining equity to a strategic buyer. A turn around proposal which inter alia includes writing off of the accumulated losses and extension of Government Gurantee,

is under consideration of the Government. No final decision has yet been taken.

Proposal to privatise Vizag Steel Plant

128. SHRI K. KALAVENKATA RAO:
DR. DASARI NARAYANA RAO:
DR. Y. LAKSHMI PRASAD:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Government proposed to sell off Vizag Steel Plant to Private Players;

(b) If so, the reasons for not granting fund to help the PSU to revive; and

(c) the action proposed to protect jobs of 17,000 employees of the plant?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) to (c) Rashtriya Ispat Nigam Ltd. (Visakhapatnam Steel Plant) had submitted a comprehensive turnaround proposal for its revival inter alia including infusion of funds, but it was not found viable by the Government. In the meantime, the Disinvestment Commission recommended writing off of the entire accumulated losses of the company as on 31.3.1999 alongwith disinvestment of not less than 51% of **its** remaining equity to a strategic buyer. However, no final decision has yet been taken on these recommendations of the Disinvestment Commission.

Progress of Neelachal Ispat Nigam Ltd. in Orissa.

129. SHRI ANANTA SETHI: Will the Minister of STEEL be pleased to state:

(a) whether Government have reviewed the progress of Neelachal Ispat Nigam Ltd. being set up near Dubri in Orissa;

(b) if so, the progress as on date;

(c) the capacity of that plant; and

(d) the expected date of its, commercial production?